

62-438



CENTRAL INTELLIGENCE AGENCY

WASHINGTON 25, D. C.

OFFICE OF THE DIRECTOR

19 January 1962

✓ *Can of*

Honorable Richard B. Russell
Chairman, Armed Services Committee
United States Senate
Washington 25, D. C.

Dear Senator Russell:

I am happy to respond at the Armed Services Committee's request to the statement Senator Eugene J. McCarthy made on 18 January 1962 at the opening of the Committee's hearings on my nomination to the position of Director of Central Intelligence. I shall respond directly to the specific questions posed by Senator McCarthy at the end of his statement, but as other portions of the statement were considered during the hearings I shall also set forth my position in regard to them.

The first question asked if the Central Intelligence Agency is to be reorganized and if so in what respects. I have been and I am studying the organization of the Agency very intently. The present pattern of organization of the Agency is the result of years of study by competent people, both within the Government and outside consultants, and in my opinion it is not a bad pattern of organization. However, I believe that in all departments of the Government there is an evolution in management procedures and opportunity for improvement so I think that some changes will be indicated in the Agency organization. I would propose to discuss any important changes with our congressional Subcommittees.

During the hearings before your Committee I read into the record a letter from the President concerning the scope of the responsibilities he has asked me to assume, and the President stated therein that he would expect me to delegate to a principal deputy as I may deem necessary so much of the direction of the

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detailed operation of the Agency as may be required to permit me to carry out the primary task of the Director of Central Intelligence. This, of course, I intend to do and while I will have over-all responsibility for the Agency, I am studying what delegations of authority should be made to the Deputy Director of Central Intelligence.

Senator McCarthy's second question asked what bearing such changes would have upon the duties of the head of the Central Intelligence Agency and upon the operation of the Agency. Any changes made in Agency organization will have no bearing on the duties of the Director of Central Intelligence, the scope of whose responsibilities is set forth in the Presidential letter mentioned above. The authority of the Director has been neither enhanced nor diluted, and I believe the purpose of the President's directive is to make clear that the Director of Central Intelligence is his principal intelligence officer to exercise the dual role set forth in the law, to be responsible for the direction of the Central Intelligence Agency itself, and to assure the coordination of the intelligence community as a whole. The one change that has been made is in connection with the coordination function. The Director of Central Intelligence is Chairman of the United States Intelligence Board, which is composed of the heads of all the intelligence components of the Government, and I have placed the Deputy Director of Central Intelligence on that Board to represent the views of the Central Intelligence Agency in connection with any matters considered by the Board. It appeared to me that if I served as Chairman and as such as the President's representative and the Deputy as the Agency's representative was the advocate of the Agency's viewpoints I would be in a position to take a more objective point of view. This new arrangement was approved by the President in the letter referred to above.

Senator McCarthy's third question asks for my views as to the authority for some of the actions attributed to the Central Intelligence Agency in the field of foreign affairs within recent years. Many events have been attributed to the Central Intelligence Agency over the years, and it would be impossible for me to have the facts on these matters, but I certainly do not accept that because they are attributed to the Central Intelligence Agency the Agency is responsible for them. The Senator's question appears to go to the basic juridical or constitutional authorities of the Executive Branch, and this involves profound

legal questions which, since I am not a lawyer, I do not feel competent to debate. It is my understanding, however, that the President has wide powers in the field of foreign relations and within the framework of the constitution is empowered to do what he deems to be necessary to protect and promote the national interest. At the present time, in my opinion, the national interest is best served by taking steps to deter the encroachment of communism. As provided by law the Central Intelligence Agency operates under the direction of the National Security Council which is advisory to the President and of which he is Chairman and, therefore, it is but one of the arms in the complex of establishments which are involved in the President's conduct of foreign policy. I intend to carry out to the best of my ability all duties assigned, and I must assume that no such assignment would cause me to violate my oath of office to support and defend the constitution.

Senator McCarthy's fourth question concerns my judgment as to methods which can be justifiably used by the Central Intelligence Agency. The very nature of the question is such that I believe I cannot respond to it, particularly in the light of the responsibility imposed upon me by law to assure the protection of intelligence sources and methods from unauthorized disclosure.

Senator McCarthy's fifth question was to the extent of my involvement, if any, in what had been described or reported as "leaks" from the Atomic Energy Commission with reference to the moratorium on nuclear testing. I know of no instance where I personally or any of the Commissioners were charged by anyone with leaking anything either on this subject or any other subject of a classified nature. There were leaks in this area, but there were none that were attributed to the Atomic Energy Commission.

Senator McCarthy's sixth question inquired as to the facts with regard to the charge that I attempted to have scientists fired at the California Institute of Technology. Ten scientists at Cal Tech signed a statement concerning suspension of nuclear testing. I differed strongly with their position and felt that the manner in which the statement came out tended to imply that it was an official Cal Tech position. I wrote my letter stating my strong disagreement to one of the ten scientists directly, Dr. Thomas Lauritsen. To the best of my recollection I did not send copies of this letter

to the university or officials thereof, and the file carbon which I retained does not indicate any distribution. I would be less than candid if I did not say that my views concerning this matter were known to many people. However, I did not officially or unofficially request the dismissal of any or all of the scientists by the Institute, and none were dismissed as a result of any action by me.

The general thrust of Senator McCarthy's statement was the need for greater congressional supervision of the Central Intelligence Agency, and early in his statement he said there is no regular or normal procedure in existence or in use today by which committees of the Congress are consulted or informed of the Central Intelligence Agency's activities. There are, of course, Subcommittees of the Armed Services Committees of both the Senate and the House, constituted as CIA Subcommittees, and there are Subcommittees of the Appropriations Committees of both the Senate and the House, constituted to consider the Central Intelligence Agency's appropriations matters. The Central Intelligence Agency has been at all times responsive to the calls of these Subcommittees and in addition has brought to their attention matters the Agency felt should properly be considered by them. I will continue this policy and this relationship with these Subcommittees.

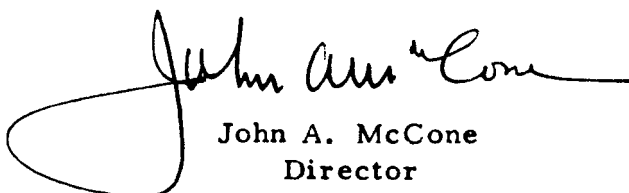
Senator McCarthy's statement quoted a comment by Hanson Baldwin that intelligence is too important to be left to the unsupervised. In addition to the relationship with the Subcommittees of the Congress set forth above, the Agency reports to the National Security Council and is subject to direction by the National Security Council. There are precise interdepartmental arrangements for consideration of certain of the Agency's activities so that the President and the Secretaries of State and Defense can apply policy guidance and be adequately informed.

Senator McCarthy also sets forth a quotation from Walter Lippmann stating that the Central Intelligence Agency has been much too often an original source of American foreign policy. I do not consider that the Director of Central Intelligence is a policy-making position. The chief function of the Agency is to obtain all possible facts from all sources and after proper evaluation disseminate them to the President and other appropriate policymakers. I might be asked my personal views, and if so

I would feel free to give them but do not conceive that it is proper for the Director of Central Intelligence to volunteer in regard to questions concerning the national policy. Within the intelligence structure there are, of course, from time to time policy questions concerning organization or methods, but these are not related and, therefore, must be clearly differentiated from matters of national policy and are settled internally through the mechanism of the United States Intelligence Board.

I trust the foregoing will serve the needs of the Committee.

Yours very truly,

A handwritten signature in dark ink, appearing to read "John A. McCone". The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping tail.

John A. McCone
Director

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42-437

19 January 1962

Honorable Richard B. Russell
Chairman, Armed Services Committee
United States Senate
Washington 25, D. C.

Dear Senator Russell:

This morning Senator Symington called my attention to a speech made by Senator Wayne Morse yesterday in which he quoted a Drew Pearson column of January 17, a portion of which relating to Sherman Adams apparently has not been printed by papers carrying Pearson's material. The essence of the article was that I depended upon the opinion of Sherman Adams for a judgment on conflict-of-interest matters and, since in Pearson's opinion Sherman Adams had since been discredited, his opinion on this both delicate and important matter was subject to question. The balance of the article is typical Pearson theme, all of which was discussed yesterday and on many prior occasions and does not warrant comment by me in this letter.

However, for your information, the procedure established by the Eisenhower Administration was one under which Sherman Adams as Special Assistant to President Eisenhower requested the Attorney General to examine the personal affairs of a candidate and render a written opinion as to whether conflict-of-interest existed. This was done in my case. It was not Sherman Adams but the Department of Justice which made the finding. This was done in writing over the signature of the Assistant Attorney General, Office of Legal Counsel. The study was penetrating and the written report comprehensive. At the time of my AEC confirmation hearings I asked for and received permission to release to the Joint Committee the Attorney General's report which, as a procedural matter, was

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Los Angeles Times

HARRISON GRAY OTIS, 1881-1977

HARRY CHANDLER, 1917-1944

NORMAN CHANDLER, President, Times Mirror Co.

OTIS CHANDLER, Publisher, The Times

NICK B. WILLIAMS, Editor

★ WEDNESDAY MORNING, JANUARY 17, 1962

TIMES EDITORIALS

John McCone, Public Servant

A frequent complaint heard around this republic is that able men are reluctant to serve the government, particularly if they had applied their ability at any time in their lives to making money.

John A. McCone's is a case in point, and the case history serves as a general answer to the complaint.

McCone made his own way up the ladder to president of a shipbuilding corporation for which he set production goals nobody believed could be achieved. The result was 467 wartime ships worth a billion dollars. In his pursuit of private fortune McCone found time for public service as a director of Stanford Research Institute, a trustee of Caltech, a regent of Loyola University, an organizer of the Los Angeles World Affairs Council.

President Truman drew him into national affairs, although he is a Republican, by appointing him to the Air Policy Commission where he helped Thomas K. Finletter write the famous report "Survival in the Air Age." He became Air Force undersecretary under Finletter in 1950, and in that year, significantly, he recommended to President Truman that the embryo guided missile program be conducted by a man with full authority and control of funds to exercise "absolute power over the entire effort." He gave President Eisenhower the same advice after the first Sputnik was orbited.

Although he resigned as Air Force undersecretary in 1951, he was repeatedly called back to public duty: he inspected the Korean air front for Finletter and Gen. Vandenberg in 1952; he served on the Wriston committee organized to recommend improvement of the diplomatic service in 1954. Defense Secretary McNamara called on him for advice, and Chairman Strauss of the Atomic Energy Commission sought him for four years as a commission member. In 1958 he consented to serve as AEC chairman, resigning when President Kennedy came in. President Kennedy needed such

public servants. The job sought the man: McCone consented last fall to become chief of the Central Intelligence Agency, one of the most difficult places in the government.

One of his rewards for accepting this onerous post is a current series of attacks on his integrity as a public servant by the widely published columnist Drew Pearson. The articles have been published on Page 6 of this section of The Times. The motive of the Pearson "crusade" is obscure, but the treatment of McCone is sheerly vindictive. The technique is the smear: the charges are made but the answers are suppressed unless they serve the accuser's purpose.

Pearson based his columns on three congressional hearings, with quotations torn out of the context of several hundred pages of record. The first, in 1942, was an inquiry into shipbuilding profits while McCone was still president of the California Shipbuilding Corp. This was followed shortly by his summons to national service under President Truman. The second, about plane contracts, was held in 1953 while McCone was between public jobs, but he was recalled to service in 1954. The third, held in 1958, rehearsed older charges, and it was followed by McCone's unanimous confirmation by the Senate as a member of the AEC.

Three Presidents and the U.S. Senate could find no conflict between McCone's public service and the conduct of his private interests.

The Pearson charges will not have any effect on Senate confirmation of McCone to be CIA chief, as Pearson concedes today while he continues to wield his tar brush.

But the "crusade" answers the question why many men of ability are reluctant to serve the government. Some Pearson or group of Pearsons might be lining up to wait for them. It takes a man of McCone's sureness and devotion to walk through the mud and keep his eye on the goal, which is to serve his country to the best of his high ability.

addressed to Sherman Adams. This request was granted. The conclusions of the opinion are included verbatim in the transcript of the hearings which are available to you and to your Committee.

I think the other points covered in the Drew Pearson article quoted by Senator Morse were discussed in detail yesterday.

Yours very truly,

John A. McCone
Director

cc: Senator Symington
Senator Morse
DCI
DDCI
ER
IC
Col. Grogan
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JAM:mfb

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19 January 1961

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Honorable Stuart Symington
United States Senate
Washington 25, D. C.

Dear Senator Symington:

Mr. McCone asked that
the attached copy of the Los
Angeles Times editorial be
forwarded to you for your
information.

Sincerely,

Walter Elder
Assistant to the Director

Enclosure

Copy of article from L. A. Times, dated 17 Jan 1962

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